

261—39.5(75GA,ch1201) Funding.

39.5(1) *Timing of grants.* The funding of eligible projects under the Iowa main street program is contingent upon the availability of funds allocated to the department. Grants will be announced annually. When funds are available, the department reserves the right to withhold grant funds if an insufficient number of acceptable applications are submitted to adequately achieve the purposes of the Iowa main street program.

39.5(2) *Grant period.* A selected community may receive a grant each year of the five-year program start-up period.

39.5(3) *Compliance and termination.* Continued funding during the start-up period is contingent upon acceptable audit and monitoring reports received by the department and the grantee's compliance with the terms and conditions of the grant agreement. The department may terminate or suspend funding, in whole or in part, if there is a substantial violation of a specific provision of the agreement or these rules and corrective action has not been taken by the grantee.

39.5(4) *Allowable cost.* Funds granted by this program to a community shall be applied toward the operation of the local main street program.

39.5(5) *Match required.* Funds and in-kind services from local public and private sources shall be used to supplement the state grant awarded by this program. For cities under 5,000 in population, the minimum match requirement shall be 2.5 times the state grant in year one, 3 times the state grant in year two, 4 times the state grant in year three, 5.5 times the state grant in year four, and 8 times the state grant in year five. For cities between 5,000 and 50,000 in population, the minimum match requirement shall be 3 times the state grant in year one, 4 times the state grant in year two, 5.5 times the state grant in year three, 8 times the state grant in year four, and 14 times the state grant in year five.